COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

SHELBY RURAL ELECTRIC COOPERATIVE)
CORPORATION'S FILING OF A PROPOSED)
TARIFF REVISION OF RULES AND) CASE NO. 96-503
REGULATIONS)

ORDER

IT IS ORDERED that Shelby Rural Electric Cooperative Corporation ("Shelby") shall file an original and 10 copies of the following information with the Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. The information requested herein is due 21 days from the date of this Order.

- 1. Refer to Sheet 2, Section 6, of Shelby's proposed rules and regulations. Does the language refer to <u>all</u> potential easements, present and future, which Shelby might seek to operate its electrical system, or just those easements necessary to serve the customer from whom the easement is sought? If the former, identify all situations is which Shelby might seek such an easement.
 - 2. Refer to Sheet 3, Section 9, of the proposed rules and regulations.

- a. Under what circumstances does Shelby require a customer's social security number?
- b. If a social security number is necessary for customer identification, what other methods of identification, if any, has Shelby considered in lieu of a social security number? For each method, explain why Shelby chose not to use it.
 - 3. Refer to Sheet 5, Section 15, of the proposed rules and regulations.
- a. Why is levelized billing only offered to customers with at least 12 months of usage history?
- b. Explain why Shelby does not make levelized billing available to all customers regardless of the length of their usage history as required in Administrative Regulation 807 KAR 5:006, Section 13(2)(a).
- 4. Refer to Sheet 6, Section 16, of the proposed rules and regulations. Explain how a customer may actually negotiate and mutually agree to a partial payment plan, in conformity with Administrative Regulation 807 KAR 5:006, Section 13(2), when the minimum parameters of the partial payment plan are prescribed in Section 16.
 - 5. Refer to Sheet 7, Section 19, of the proposed rules and regulations.
- a. Does Shelby have written procedures for monitoring customer usage at least annually?
- b. (1) If yes, provide a copy of these procedures and explain why they were not included in Shelby's tariff as Administrative Regulation 807 KAR 5:006, Section 10(3), requires.
 - (2) If no, explain why Shelby has no such procedures.

- c. Irrespective of whether Shelby has any written procedures, are customers contacted when Shelby's monitoring reveals an unusual deviation that cannot be otherwise explained in order that the customer might examine his/her equipment to identify and correct potential problems?
- 6. Refer to Sheet 19, Section 40, of the proposed rules and regulations. In Shelby's opinion, does this language comply with Administrative Regulation 807 KAR 5:041, Sections 11 and 12, which prescribe service conditions for normal distribution line extensions and extensions to mobile homes? Explain your answer in detail.
- 7. Refer to Sheet 22, Section 41(C), of the proposed rules and regulations. Is the requirement that easements be "provided without cost or condemnation by the Cooperative" consistent with Administrative Regulation 807 KAR 5:006, Section 5(3), which states "[n]o utility shall require a prospective customer to obtain easements or rights-of-way on property not owned by the prospective customer as a condition for providing service"? If yes, explain how the proposed rule is consistent with the regulation.
- 8. Refer to Sheet 28, Section 49, of the proposed rules and regulations. Clarify the following matters related to the bill format which refers to a late payment charge equal to "10% of the revenue amount or the balance forward."
- a. Where in Shelby's tariffs (rate schedules) is reference to this late payment found?
- b. Is the late payment charge equal to the difference between the net amount due and the gross amount due?

c. Administrative Regulation 807 KAR 5:006, Section 8(3)(h), states, in part, "[t]he penalty may be assessed <u>only once</u> on any bill for rendered services. Any payment received shall first be applied to the bill for service rendered. Additional penalty charges shall <u>not</u> be assessed on unpaid penalty charges (Emphasis added)."

(1) Does applying the late payment charge to the balance forward violate this regulation?

(2) If no, why not?

Done at Frankfort, Kentucky, this 23rd day of December, 1996.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Executive Director